



Voluntary Report - public distribution

Date: 9/18/2001

GAIN Report #CA1127

Canada

Food and Agricultural Import Regulations and Standards

Ban on U.S. Fresh Produce Promotional Logo 2001

Approved by:

Norval E. Francis, Jr.
U.S. Embassy, Ottawa

Prepared by:

George C. Myles

Report Highlights: Effective December 1, 2001, the Canadian Food Inspection Agency will prohibit the use of the U.S. promotional logo "*Eat Fruits and Vegetables - 5 A Day - For Better Health*"® on prepackaged fresh produce sold in Canada. Canadian regulators claim the logo is at odds with a similar Canadian promotional campaign sanctioned by Health Canada called "*5-10 a Day*".

Includes PSD changes: No
Includes Trade Matrix: No
Unscheduled Report
Ottawa [CA1], CA

Summary: The Canadian Food Inspection Agency has announced that effective December 1, 2001, it will prohibit the use of the U.S. promotional logo “*Eat Fruits and Vegetables - 5 A Day - For Better Health*”® on prepackaged fresh produce sold in Canada. The CFIA is threatening to take action by December 1, 2001 against imported produce on which the logo is found. The Canadian Produce Marketing Agency (CPMA), the organization representing Canada’s major importers and wholesalers of fresh produce is currently lobbying the Canadian government for an extension to the stricter policy enforcement date. In addition U.S. produce industry organizations have complained directly to the CFIA concerning the proposal.

Background: During mid-summer 2001, a Canadian health professional familiar with Health Canada’s Food Guide to Healthy Eating, apparently noted that certain fresh produce imported from the United States for sale in western Canada bore the popular U.S. *5 A Day* logo and the U.S. nutritional fact box on its packaging. The incident was reported and resulted in a label review by the CFIA and the subsequent issuance of a directive to USDA’s Agricultural Marketing Service and U.S. and Canadian produce industry organizations on August 27, 2001. The directive states that the *5 A Day* logo is not permitted on packaging in Canada and that warnings will be issued to the trade until November 30, 2001 after which time strict enforcement could result in product detainment. The directive also reiterated that the U.S. nutritional facts display panel is not permitted in Canada. To meet the requirements, affected U.S. produce shippers would have to pack in separate bags for Canada or obliterate the *5 A Day* logo.

In issuing the directive, the CFIA believes that the *5A Day* logo is at odds with the government regulated health message to Canadians entitled “*5-10 a Day*” the phrase officially sanctioned by Health Canada in its Food Guide, an informational guide for Canadian consumers to make healthy choices in their diet and eating habits. The *5 to 10 a Day* is also part of the CPMA’s promotional campaign designed to encourage Canadians to follow a healthy lifestyle, which includes eating between five to ten servings of vegetables and fruit each day, to reduce the risk of cancer, heart disease and stroke.

Presently, nutrition labeling on packaged foods sold in Canada is voluntary. However, U.S. and Canadian nutrition recommendations differ, and for several years the nutrition information and format approved for food packages in the U.S. market is not permitted on food labels in Canada. As a result, U.S. companies who choose to display nutrition information on their labeled food products marketed in Canada Health must follow the Canadian guidelines. A new regulatory proposal by Health Canada to make nutrition labeling mandatory and one that will affect all U.S. packaged food product sales has been the subject of several Post reports; CA0167, CA1088, CA1090, CA1109, and CA1116. These rules are expected to be made into law by the end of this year or early next year. The final opportunity for public comments ended September 14, 2001.

Comment:

According to the CPMA, the U.S. commodities most affected by the upcoming CFIA enforcement action are baby carrots, California grapes, and pre-cut bagged salads. The CPMA is vociferously opposed to the aggressive enforcement timetable put forward by the CFIA and is pressing the CFIA for the longest possible extension. While the CPMA concedes that the GOC has the legal authority to enforce the directive under current regulations, the organization

is eager to avoid a border issue that will affect adversely its members and lead to additional costs placed on the North American industry and on Canadian consumers.

The issue is a prime example of increased trade under NAFTA being thwarted by health regulations that are not parallel in the two countries. In this particular case, CFIA is arguing that Canadians will be confused by the two promotional campaigns to encourage fresh produce consumption despite tens of millions of cross-border trips annually by their citizens to the United States. To protect Canadians, the CFIA is planning to ensure that they are not exposed to the U.S. promotional logo even though according to the CPMA, less than 45% of Canadians are even aware that Canada's Food Guide to Healthy Eating calls for 5-10 servings of fruit and vegetables each day.

As for nutrition labeling, post is not aware of any effort by Health Canada drafters of its mandatory nutritional labeling proposal to harmonize nutrition facts and recommended daily intakes with U.S. design and standards which promises to result in the perpetuation of separate and incompatible systems. Canadian regulators have demonstrated in the past that their unique Canadian requirements can be used as a competitive-edge marketing tool by their domestic industries.

Recent Related Reports from FAS/Ottawa:

Report Number	Title of Report	Date
CA0167	Policy Proposal for Nutrition Labeling	10/25/00
CA0175	Proposed Metric Multiple Packaging Rule	11/6/00
CA1088	Changes to Nutrition Labeling Policy	6/25/01
CA1090	Comment Period for Nutrition Labeling Proposals	6/28/01
CA1109	Information Seminar on Mandatory Nutrition Labeling Proposal	8/10/01
CA1114	CGSB Releases Draft Standard For the Voluntary Labeling of Foods Derived from Biotechnology	8/17/01
CA1116	Public Comment Period on Nutrition Labeling Proposal Drawing to Close	8/22/01

Find Us on The Web:

Visit our headquarters' home page at <http://www.fas.usda.gov> for a complete selection of FAS' worldwide agricultural reporting.

Contact: FAS/Ottawa e-mail: usagr@istar.ca